



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2006 REGULAR SESSION

HOUSE BILL NO. 79

THURSDAY, FEBRUARY 9, 2006

The following bill was reported to the Senate from the House and ordered to be printed.

RECEIVED AND FILED
DATE March 28, 2006
3:19 pm

TREY GRAYSON
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. J. J. J.

AN ACT relating to a school employee on active military duty.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

1 Section 1. KRS 161.168 is amended to read as follows:

2 Notwithstanding any other statute to the contrary, a certified employee of a local board of
3 education who is a member of a state National Guard or a Reserve component
4 ordered~~called~~ to active military duty by the President of the United States shall be
5 granted a leave of absence for this purpose and shall be considered to be rendering service
6 to the state.

7 (1) A local board of education that has granted military leave to a certified employee
8 and has a commitment from the employee to return to work upon the conclusion of
9 military leave may provide the employer's contribution toward the purchase of the
10 state's medical insurance program during the period of military leave as long as the
11 employee or spouse pays the additional cost of dependent coverage.

12 (2) Upon the employee's return to work, the Commonwealth of Kentucky shall~~a local~~
13 ~~school district may~~ pay the member contribution and any accrued interest that is
14 required to be paid~~to the Kentucky Teachers' Retirement System~~ under KRS
15 161.507(4)(b) in order for the member to receive retirement service credit for the
16 period of active military duty.~~This payment shall be paid in lump sum by the~~
17 ~~school district directly to the retirement system on the member's behalf under the~~
18 ~~conditions set forth in KRS 161.540(2). This lump sum payment shall not be~~
19 ~~included in a member's annual compensation as defined under KRS 161.220(10).]~~

20 Under no circumstances shall a member be entitled to service credit under this
21 paragraph that is in violation of the provisions of KRS 161.500.

22 (3) For each year of military service or each year of combined military and school
23 service within a school year, the certified employee shall receive a year of service
24 credit for purposes of the district's single salary schedule defined in KRS 157.320.

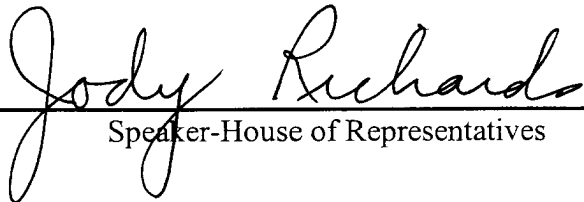
25 (4) No provisions of this section shall be construed to provide disability benefits under

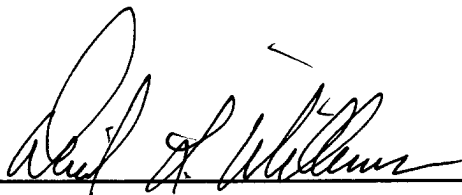
1 KRS 161.611 or 161.663, survivorship benefits under KRS 161.520, life insurance
2 benefits under KRS 161.555 or any other benefit available from the Kentucky
3 Teachers' Retirement System as a result of active military service, or conditions or
4 injuries resulting from active military service, except for the accrual of service
5 credit which shall be acknowledged by the retirement system subject to the relevant
6 conditions set forth in KRS 161.507.

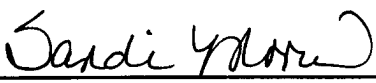
7 Section 2. KRS 161.550 is amended to read as follows:

- 8 (1) Beginning with July 1, each employer, except as provided under KRS 161.555,
9 shall contribute annually to the retirement system a permanent amount equal to that
10 contributed by members of the retirement system it employs plus an additional three
11 and one-fourths percent (3.25%) of the total of salaries of members of the
12 retirement system it employs to discharge the system's unfunded obligations with
13 interest assumed by the state and to provide funding to the medical insurance fund
14 as provided under KRS 161.420(5).
- 15 (2) In addition to the required contributions in subsection (1) of this section, the state
16 shall contribute annually to the retirement system a percentage of the total salaries
17 of the state-funded and federally funded members it employs to provide
18 stabilization funding for the medical insurance fund. This contribution shall be
19 known as the state medical insurance fund stabilization contribution. The
20 percentage to be contributed by the state shall be determined by the retirement
21 system's actuary for each biennial budget period. The percentage to be contributed
22 by the state may be suspended or adjusted by the General Assembly if in its
23 judgment the welfare of the Commonwealth so demands.
- 24 (3) Each employer shall remit the required employer contributions to the retirement
25 system under the terms and conditions specified for member contributions under
26 KRS 161.560. The state shall provide annual appropriations based upon estimated
27 funds needed to meet the requirements of KRS 161.155; 161.168; 161.507(4);

1 161.515; 161.545; 161.553; 161.605; 161.612; and 161.620(1), (3), (5), (6), and (7).
2 In the event an annual appropriation is less than the amount of these requirements,
3 the state shall make up the deficit in the next biennium budget appropriation to the
4 retirement system. Employer contributions to the retirement system are for the
5 exclusive purpose of providing benefits to members and annuitants and these
6 contributions shall be considered deferred compensation to the members.


Speaker-House of Representatives


President of the Senate

Attest: 
Asst. Chief Clerk of House of Representatives

Approved 
Governor

Date 